GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:1471
ANSWERED ON:11.12.2003
TAX CESS ON PETROLEUM PRODUCTS
NARESH KUMAR PUGLIA

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government has plans to levy an additional tax or cess on all petroleum products to build up a strategic oil reserve:

(b) if so, the details thereof;

(c) whether any alternative plan of finance have been worked out by the Government to meet the funding requirements of strategic oil reserve;

(d) if so, whether additional cess on petroleum products will push up cost of petrol, leading to inflation; and

(e) if so, the steps proposed to get oil companies to use their internal resource to store oil and petrol as part of the strategic reserves?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SMT. SUMITRA MAHAJAN)

(a) to (c): The proposal for setting up of strategic oil storage, including the financing options, is under the consideration of the Government.

(d) & (e): Do not arise in view of (a) to (c) above.